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2WP RE DRAFT

MEMORANDUM FOR: Heads of All Career Services

SUBJECT : Nomination of Employees for Designation as Participants  
in the CIA Retirement and Disability System  
**Level II complete - 11/19/00 - betty**

1. The CIA Retirement Board has asked that I call to the attention of Heads of Career Services the importance and significance of the certification made by them in nominating employees for designation as participants in the System. The certification made by the Head of a Career Service in Section D of Form 3100, Nomination and Designation of Participant, reads as follows: "Based on his career assignment and past and prospective performance of qualifying service, this employee is recommended for designation as a participant in the CIA Retirement and Disability System. He is serving in a career field which normally requires the performance of qualifying service as an integral part of a career in that field."

2. The CIA Retirement Board has recently recommended approval of several nominations for designation of employees as participants in the System which were submitted on the basis that sufficient time remained prior to completing 15 years of Agency service within which such employees could possibly complete 60 months of qualifying service. Such recommendations by the Board and my subsequent action in designating these employees as participants in the System was based in each case upon the certification made by the Head of Career Service in executing Section D of Form 3100, and as stated above. This certification has been interpreted by the Board and myself to mean that such employees would be placed in assignments that would permit them to complete 60 months of qualifying service prior to their completing 15 years of Agency service.

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Group I Excluded from automatic down- grading and declassification
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3. As you know, the record of each such participant must be reviewed six months prior to the fifteenth anniversary of appointment in the Agency in accordance with the procedures prescribed for the administration of the System. Unless this review discloses that such participants are serving in an assignment that will permit them to complete 60 months of qualifying service prior to completing 15 years of Agency service, such participants must be removed from the CIA Retirement System and transferred back to the Civil Service Retirement System. This is required for the following reasons:

a. Section 203 of the CIA Retirement Act of 1964 provides that "Any participant who has completed fifteen years of service with the Agency and whose career at that time is adjudged by the Director to be qualifying for the system may elect to remain a participant of such system for the duration of his employment by the Agency and such election shall not be subject to review or approval by the Director."

b. Sections 233 and 235(a) of the Act provide that no participant shall be retired under the provisions of such Sections unless he shall have performed 60 months of qualifying service.

Thus the System must be policed to ensure that any participant who will not complete 60 months of qualifying service prior to completing 15 years of Agency service is removed from the System. Otherwise, to allow an employee to attain a vested right to remain in the System for the duration of his Agency employment when he may never be able to retire under the System because of not completing the required 60 months of qualifying service would be inconsistent with the basic purpose and intent of the Act. This action would not preclude reconsideration of the eligibility of such employee to participate in the CIA Retirement System if he should meet the requirements for designation in the future.

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4. The certification made by Heads of Career Services in the cases described above is significant in that it carries with it the responsibility for ensuring that such employees are still eligible for assignments that would permit them to complete 60 months of qualifying service prior to the completion of 15 years of Agency service. Without such assurance nothing would be gained by placing such employees in the System. Also, the administrative aspects involved in placing such employees in the System and in affecting the transfer of their records and monies from the Civil Service Retirement System are costly, and any indiscriminate transfers from and to the Civil Service Retirement System could have a serious effect upon the good relations which this Agency must maintain with the Civil Service Commission in the administration of our Retirement System.

5. It is hoped that this memorandum will be accepted in the spirit for which it is intended, and that it will provide some guidelines for your use in acting upon future nominations of employees for designation as participants in the CIA Retirement and Disability System.

Emmett D. Echols  
Director of Personnel

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